RESOLUTION 1106 (2001)

A RESOLUTION SETTING USER RATES FOR THE CITY OF ELGIN SEWER SYSTEM

WHEREAS, Ordinance 3 series 1981 and Ordinance 2 series 1992 require sewer rates to be set by resolution, and;

WHEREAS, The rates must be set each year;

NOW THEREFORE BE IT RESOLVED, that the sewer user rates, per the requirements of Ordinance 3-1981 and Ordinance 2-1992, for the year 2001/2002 (beginning on Aug. 1,2001) shall be determined as follows.

The budgeted requirements of the Sewer Fund are as listed in Table I. The total amount required for the year is $176,650. The amount of resources available to the Sewer Fund, except user fees, is $36,650. The necessary user fees are $140,000. The system has 685 active accounts, with 775 units.

TABLE I - RESOURCE REQUIREMENTS

EXPENDITURE ITEMS -	Total Required	%	Amnt from user fees
1) ADMINISTRATION & BILLING	**16,500**	11.23	14,013
2) FACILITY INSURANCE	**5,400**	3.06	4,284
3) REPLACEMENT RESERVE	**12,880**	7.29	10,206
4) OPER, MATRL & LABOR	**82,455**	46.68	65,352
5) CAPTL IMPRV	**12,035**	6.81	9,534
6) DEBT SERVICE	**47,380**	26.82	37,548
TOTALS ---	176,650	101.89	140,937

RESOURCES OTHER THAN USER FEES	**36,650**
USER FEES REQUIRED	140,000

TABLE II - CHARGES

CATEGORY	MNTHLY RQMNT	# OF UNITS	MONTHLY RATE
PER ACCOUNT	1,525	**685** ACCOUNTS	2.23
PER UNIT	10,220	**794** ADJ UNITS	12.87

The user rates are calculated as follows:

Per Account; Administration, billing and insurance, [Items 1 & 2 from Table I].
Per Unit; Operating, capital and debt expenses, [Items 3, 4, 5 & 6 of Table I].

* The commercial "overage" shall be calculated at $.75/500 Cuft for water use over 2,000 Cuft/month.
* Firemen, City Councilors, and qualifying senior citizens shall have their basic charge reduced by ($47,380/12mo/ 685 accounts) $5.76/mo, ie. the proportionate cost of the Debt Service for one account.
* Accounts which become delinquent are to be charged a re-billing fee of $2.00 in addition to interest at a rate of 1.5% per month on the delinquent amount.

The sewer usage of the schools and Boise Cascade Complex shall be calculated based on the number of persons occupying these facilities, ie:

* 3.3 CuFt per person per day for Stella-Mayfield and Elgin High School; each school shall be counted as 2 units.
* 2.0 CuFt per person per shift for BCC Stud mill plywood mill complex; the mill is to be counted as 4 units.

BE IT FURTHER RESOLVED, that the City Council finds this rate increase necessary due to increased cost of supplies, materials and services purchased by the City, the need to maintain a reserve fund adequate to offset system depreciation, and the necessity of maintaining adequate resources to pay debt and debt service fees.

BE IT FINALLY RESOLVED, that the City Council finds these fees and charges to be those necessary to operate the sewer system and are not "taxes" subject to limitation by the Constitution of the State of Oregon.

PASSED AND ADOPTED this 10th day of July 2001
With 7 Ayes, 0 Nays, 0 Abstentions, 0 Absent.

Signed;
Berta Churchill, Mayor

Attest;
Joe Garlitz, Recorder